



Louisville Metro Government

Legislation Text

File #: R-115-17, Version: 1

RESOLUTION NO. _____, SERIES 2017

A RESOLUTION SUPPORTING THE SEPARATION OF THE COUNTY EMPLOYEES RETIREMENT SYSTEM FROM THE KENTUCKY RETIREMENT SYSTEM.

SPONSORED BY: COUNCIL MEMBERS BILL HOLLANDER, ROBIN ENGEL, MARIANNE BUTLER, ANGELA LEET, RICK BLACKWELL, PAT MULVIHILL, VICKI AUBREY WELCH, BARBARA SEXTON SMITH, MARILYN PARKER, MARY WOOLRIDGE, CINDI FOWLER, KEVIN KRAMER AND CHERI BRYANT HAMILTON

WHEREAS, Louisville Metro Government has employees invested in the County Employees Retirement System;

WHEREAS, the County Employees Retirement System is currently funded at 62 percent, a higher funded ratio than it was prior to passage of the 2017 Senate Bill 2;

WHEREAS, the Kentucky Employees Retirement System is the worst funded system in the U.S. and was noted by R.V. Kuhns, Inc. as being set to undergo financial hurdles of “persistent funding shortfalls, elevated contribution levels, unsustainable payout ratios and in the worst-case scenario, the potential for the complete depletion of the asset base;”

WHEREAS, total assets of the County Employees Retirement System are about \$12 billion, 73 percent of the total Kentucky Retirement Systems’ assets;

WHEREAS, administrative costs for the Kentucky Retirement Systems have increased 245 percent since 2000, and the County Employees Retirement System pays 63 percent of those costs;

WHEREAS, separation of the County Employees Retirement System would result in the creation of a new nine-member board whose sole responsibility would be the management of the County Employees Retirement System;

WHEREAS, the current 17-member Kentucky Retirement Systems Board of Trustees has only six seats for County Employees Retirement System representatives; and

WHEREAS, separation of the County Employees Retirement System from the Kentucky Retirement Systems would mean local control of local pensions and would ensure the needs of the County Employees Retirement System are met so it can continue its current path of growth for years to come.

NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATIVE COUNCIL OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT (“THE COUNCIL”) AS FOLLOWS:

SECTION I: The Council supports the separation of the County Employees Retirement System from the Kentucky Retirement Systems.

SECTION II: A copy of this Resolution shall be sent to each member of the Kentucky State Legislature.

H. Stephen Ott
Metro Council Clerk

David Yates
President of the Council

Greg Fischer Mayor

Approval Date

APPROVED AS TO FORM AND LEGALITY:

Michael J. O’Connell
Jefferson County Attorney

BY: _____